

**REMARKS/ARGUMENTS**

On page 2 of the Office Action, the Examiner withdrew the objections as to the drawings, abstract, and specification in response to Applicants' prior Amendment. Furthermore, the Examiner stated that Applicants' arguments presented in the Amendment filed January 19, 2004 with respect to the rejection of claims 1-16 under 35 U.S.C. § 102(b) have been fully considered and are persuasive. Thus, the Examiner withdrew the rejection under 35 U.S.C. § 102(b) as to claims 1-16. Applicants appreciate the withdrawal of the rejection under 35 U.S.C. § 102(b) as to claims 1-16 by the Examiner.

**Rejections under 35 U.S.C. § 103**

On page 3 of the Office Action, the Examiner has also rejected claims 1-16 under 35 U.S.C. § 103(a) as being unpatentable over Simoudis et al. in view of Anderson et al. (5,974,396).

Applicant respectfully traverses the rejections. Applicant respectfully submits that the combination of these references is not proper, as the references do not provide a motivation to combine them. Even if properly combined, the combination does not render the claims obvious. At the outset, there is no motivation within the references to combine them. Simoudis et al. discloses a data mining system formed with a plurality of data sources, wherein a data source of the plurality is used to construct a target data set. Specifically, this system allows for a target data set to be compiled from data sources having different formats.

The Examiner states that it would be obvious to take the data mining system of

Simoudis et al. with the consumer transactional information of Anderson et al. to arrive at Applicants' invention (Office Action, page 5). However, there is no motivation to seek an improvement in the data mining system of Simoudis et al, which discloses a data mining system formed with a plurality of data sources, wherein a data source of the plurality is used to construct a target data set. Anderson et al. discloses a method and system utilizing "smart cards" for use by retail consumers of a retail business entity so as to determine and analyze buying behaviors with retailer consumer customers. The smart cards are used at a point of sale terminal, including a smart card-code reader, to generate data related to product clusters and/or consumers by specific characteristics and demographics into consumer clusters, thereby allowing consumer buying behaviors may be identified, tracked, and employed by retailers in direct, consumer marketing. In particular, Simoudis et al. fails to disclose either a smart card system or direct consumer input for providing data to the plurality of data sources of the data mining system. Thus, there is no motivation to combine the data mining system of Simoudis et al. with the method of gathering and analyzing consumer purchasing information of Anderson, et al., as the combination would result in a data mining system that is contrary to the disclosure of Simoudis et al. to have a target data set that is accessed and maintained by a server. Therefore, these references teach away from combining them.

Further, Applicant submits that the data mining system of Simoudis et al. would result in a data mining system that lacks a target data set used to extract a predictive model in favor a data clustering system that fails to provide a predictive model. Therefore, Simoudis et al. fails to provide an enabling disclosure for a "smart card"-based data gathering system and does not provide sufficient disclosure for providing consumer

transactional information. Applicants' invention, and specifically the combined use of integrating information stored in at least two disparate databases covered by "identifying at least one qualitative variable which is common to each database; transforming the at least one qualitative variable into one or more quantitative variables; converting, into converted information, the consumer transactional information in each of the databases in terms of the one or more quantitative variables; and forming an integrated database for predicting consumer behavior by combining, from the disparate databases, the converted information," shows a dramatically improved process of integrating information when compared with the data mining system disclosed in Simoudis et al.

Even if these references were properly combinable, Simoudis et al. alone or in combination with Anderson et al. does not disclose or render obvious Applicants' invention. Specifically, this combination of references and the reasons given by the Examiner for the combination do not disclose what is required by the Applicants' claims — identifying at least one qualitative variable which is common to each database; transforming the at least one qualitative variable into one or more quantitative variables; converting, into converted information, the consumer transactional information in each of the databases in terms of the one or more quantitative variables; and forming an integrated database for predicting consumer behavior by combining, from the disparate databases, the converted information. This combination also does not teach or suggest a data mining system expressly or inherently having the claimed requirements of Applicants' process of integrating information. It is advantageous to provide a process of integrating information that identifies at least one qualitative variable which is common to each database. One advantage to identifying at least one qualitative variable common

to each database in the present invention is that it ensures that each of the databases measure the same or similar behaviors or characteristics and provides that the behavior that is measured could be an activity (such as purchasing) at a merchant, which is transformed (or "bloomed") into the quantitative variable. (See page 5, lines 4-10). Furthermore, qualitative variables are matched by identifying the same or similar members in the two databases (e.g., the MasterCard database and the Simmons database) and by forming a logical link between the databases. (See page 11, lines 19-22). Thus, Simoudis et al.'s disclosure of database tools that do not mine or search for patterns that include at least one qualitative variable that is common to each database, is contrary to the claimed invention.

Another advantage is that target data sets are not required, instead each database of the present invention contributes simultaneously to a solution. The data mining system of Simoudis et al. could not be used to provide a system that identifies at least one qualitative variable common to each database, resulting from the use of qualitative variables that are matched by identifying the same or similar members in the databases and by forming a logical link between the databases. Thus the data mining system of Simoudis et al. is unsuitable.

The Examiner has failed to establish a prima facie case for obviousness of claims 1-16. It is the Examiner's burden to show that the prior art relied upon coupled with the knowledge generally available in the art at the time of the invention must contain a suggestion or incentive that would have motivated one of ordinary skill in the art to combine references. As Applicant has set forth throughout this response, the distinctive differences between the individual references makes the combination of these references

implausible. The Examiner must also show that the proposed combination must have a reasonable expectation of success. It is inappropriate for the Examiner to use the present application as a motivation to combine the references. This inappropriate combination, taking bits and pieces from each reference in an attempt to create Applicant's invention, is exactly what the Examiner has done with these references.

Therefore, since Simoudis et al., in view of Anderson et al. fails to teach or disclose a process of integrating information, including identifying at least one qualitative variable common to each database, Applicants respectfully submit it does not anticipate or render obvious any of the pending claims.

Thus, Applicants respectfully request reconsideration and withdrawal of the § 103 rejection as to these claims.

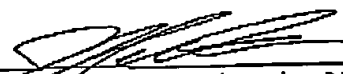
**Conclusion**

Having analyzed the rejections cited against the claims, it is urged that the present claims are in condition for allowance. A favorable reconsideration is requested. The Examiner is invited to contact the undersigned attorney to discuss any matters pertaining to the present application.

The Commissioner is hereby authorized to charge any fees which may be required in the prosecution of this application to Deposit Account No. 18-2262.

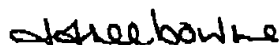
Respectfully submitted,

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By:   
Jordan Newmark, Registration No. 50,904  
RUDEN, McCLOSKEY, SMITH,  
SCHUSTER & RUSSELL, P.A.  
200 East Broward Boulevard  
Fort Lauderdale, Florida 33301  
Tel.: (954) 527-6243  
Fax: (954) 333-4243

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/Vernice V. Freebourne

June 24, 2004